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SUBJECT: THE RADA FIDDLES...

REF: A. KYIV 2128 <u>¶</u>B. KYIV 2130

Classified By: Ambassador William Taylor for reasons 1.4 (b,d).

Summary

11. (C) On October 24, the Rada was again unable to reach consensus on legislation to address Ukraine's looming economic crisis. Tymoshenko Bloc (BYuT) MPs once again blocked the rostrum to prevent voting on any anti-legislation tied to election funding -- and even allegedly disabled some Rada voting machines. The Rada voted to hold plenary sessions next week to continue working toward compromise anti-crisis legislation. Speaker Yatseniuk announced that a working group would meet throughout the weekend to try to hammer out a deal, adding that failure to find consensus next week could put ongoing IMF negotiations at risk. End Summary.

Blocked Rostrums and Vandalized Voting Machines

- 12. (C) The Rada had voted on October 23 to include three competing anti-crisis legislative packages on the agenda for the 24th, including a now-public Party of Regions (Regions) plan (reftel A). BYuT MPs continued to block the Rada rostrum October 24 to prevent voting on any legislation that included funding for early elections. BYuT MP Mikhaylo Volynets told us that BYuT would continue to block the Rada until anti-crisis legislation was separated from any election-related legislation or budget amendments. BYuT MPs Yuriy Poluneev and Kostyantin Bondarev told us that their party is open to compromise on the final form of any anti-crisis legislation, but they would not compromise on election legislation. Poluneev and Bondarev dismissed Regions' plan, calling it a "pamphlet" that was light on details, especially regarding how the government would fund its proposals.
- ¶3. (U) Rada Speaker Yatseniuk announced that 46 chamber voting machines, primarily at Regions' and Our Ukraine's (OU) seats, had been tampered with prior to the morning session. The Speaker's office produced a box of coins and metal objects that had been fished out of voting machines. The foreign objects had rendered the entire system inoperable, but it was repaired by the afternoon. Yatseniuk's press secretary blamed "those that spent the night" in the Rada, referring to BYuT members who camped out in the Rada to ensure the faction's ability to block the rostrum in the morning.

Afternoon Session: A Vote, But Not on Legislation

14. (U) Yatseniuk opened the afternoon session October 24 with a vote to extend the plenary session to next week. 386 MPs voted for the resolution, with the remainder abstaining. Yatseniuk announced that a working group of MPs from

different factions would be formed by the end of the day. The group would meet throughout the weekend with Finance Ministry and other government officials to seek consensus on anti-crisis legislation. They will report on progress on October 27 in a meeting with faction leaders and government officials in the Speaker's office. The plenary week will begin October 28. Yatseniuk warned that failure to adopt compromise anti-crisis legislation could put IMF negotiations at risk and would discredit the Rada as a legislative body.

## Comment

15. (C) The Tymoshenko-Yushchenko battle over early elections continues to paralyze the Rada's ability to pass necessary anti-crisis legislation. Failure to reach some form of compromise could, as Yatseniuk said, jeopardize IMF negotiations. The recent steep drop (twenty percent) in the hryvna's rate versus the dollar reflects market unease in the face of Ukraine's dual economic and political crises. TAYLOR